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2005

*PUBLISHED*  
*ANNUAL FINANCIAL STATEMENTS*

*Ntambanana*  
*LOCAL MUNICIPALITY*

*30 JUNE 2005*



*Ntambanana Municipality*  
*Municipal Offices*  
*Private X 20066*  
*Empangeni*  
*3880*

# NTAMBANANA LOCAL MUNICIPALITY 2005

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## **NTAMBANANA LOCAL MUNICIPALITY 2005**

### **GENERAL INFORMATION**

#### **MEMBERS OF THE EXECUTIVE COMMITTEE**

Mr. SA Mpanza  
Miss. Ntinga  
Mr. EM Masuku

Mayor  
Deputy Mayor

#### **SPEAKER OF COUNCIL**

Mr. LJ Nel

These members were elected as councilors on 5 December 2000 with the Local Government Elections.

#### **GRADING OF NEW LOCAL MUNICIPALITY**

Grade 1

#### **AUDITORS :**

The Auditor-General

#### **BANKERS :**

ABSA, SOUTH AFRICA

#### **REGISTERED OFFICES**

Municipal Building  
Main Bhuchanana  
Ntambanana

Private Bag X 20066  
EMPANGENI  
3800

Telephone: (035) 792 7093/0  
Fax: (035) 792 7094

#### **APPROVAL OF FINANCIAL STATEMENTS**

The annual financial statements set out on pages 2 to 23 were approved by the Municipal Manager on 29 August 2005 and submitted to Council in 31 August 2005 for approval.

**MUNICIPAL MANAGER**

**CHIEF FINANCIAL OFFICER**

## **NTAMBANANA LOCAL MUNICIPALITY 2005**

### **COUNCILLOR INFORMATION**

#### **MEMBERS OF NTAMBANANA LOCAL MUNICIPALITY**

##### **WARD COUNCILLORS**

Cllr. MB Magwaza (Ward 1)  
Cllr. DF Xulu (Ward 2)  
Cllr. MJ Mlawu (Ward 3)  
Cllr. SNQ Nxumalo (Ward 4)  
Cllr. EM Masuku (Ward 5)  
Cllr. EM Chonco (Ward 6)  
Cllr. LJ Nel (Ward 7)  
Cllr. SA Mpanza (Ward 8)

##### **PARTY REPRESENTATIVE**

Cllr. SG Buthelezi  
Cllr. VD Mthembu  
Cllr. MB Majola  
Cllr. DH Ntinga  
Cllr. M Buthelezi  
Cllr. M Xulu  
Cllr. ME Masuku

## **NTAMBANANA LOCAL MUNICIPALITY 2005**

### **FOREWORD**

The foreword will be done by the Mayor, and is to be included in the consolidated financial statements for the Ntambanana Local Municipality.

## **NTAMBANANA LOCAL MUNICIPALITY 2005**

### **REPORT OF THE AUDITOR-GENERAL ON THE FINANCIAL STATEMENTS OF THE NTAMBANANA LOCAL MUNICIPALITY FOR THE YEAR ENDED 30 JUNE 2005**

The report will be included once the audit is completed by the Office of the Auditor-General.

# NTAMBANANA LOCAL MUNICIPALITY 2005

## CHIEF FINANCIAL OFFICER'S REPORT

The following report consists of a summary of the 2003/2005 income and expenditure. It is my privilege to present the 2005 Financial statements for the Ntambanana Local Municipality

### 1. OPERATING RESULTS

Details of the operating results per department and classification of income and expenditure are included in appendices D and E. The overall operating results for the year ended 30 June 2005 are as follows:

INCOME	Actual 2004 R	Actual 2005 R	Variance 2004/2005 %	Budget 2005 R	Variance Actual / Budget %
Opening surplus	3,770,118	4,375,303			
Operating income for the year	6,763,121	9,086,144	25.57%	7,483,640	21.41%
Closing deficit	-	-			
	10,533,239	13,461,447		7,483,640	
EXPENDITURE					
Opening deficit	-	-			
Expenditure for the year	6,178,765	9,820,399	37.08%	7,471,670	-31.44%
Prior year adjustment (20,829)					
Closing surplus	4,375,303	3,619,770		11,970	
	10,533,239	13,440,169		7,483,640	

#### 1.1 Rate and General Services

##### Rate Services

	Actual 2004 R	Actual 2005 R		Budget 2005 R	Variance Actual / Budget %
Income	6,763,121	9,086,144		7,483,640	21.41%
Expenditure	6,178,765	9,820,399		7,471,670	-31.44%
Surplus / (Deficit)	584,356	(734,255)		11,970	
Surplus / (Deficit ) as % of income	8.64%	-8.08%		0.16%	

## NTAMBANANA LOCAL MUNICIPALITY 2005

### 2. CAPITAL EXPENDITURE

Detail of capital expenditure (budget and actual) per department and service are included in appendix B.

	2005 Actual R	2005 Budget R		2004 Actual R
Infrastructure (Building)	10,066	-		1,141,460
Vehicles	192,229	-		373,333
Furniture; Equipment; Machinery	63,818	-		129,993
Office Furniture	22,512	-		164,749
	288,625	-		1,809,535

Capital acquisition is financed as follows:

	2005 Actual R	2005 Budget R		2004 Actual R
Public Improvement Fund	-	-		-
Contributions from income	-	-		20,000
CDF - Internal advance	-	-		-
Grants	288,625	-		1,789,535
	288,625	-		1,809,535

### 3. EXTERNAL LOANS, INVESTMENTS AND CASH

The municipality is now fully responsible for its funds, whereas in the past some grants were held by the district. The council approved cash investments policies in December and we are now able to invest any cash not currently used. We only invested in Call Deposit and Short-term Deposit. No external loans were taken up by the municipality in the financial year. And there are no external commitments for the municipality. No funds of the municipality were offered as surety in any way.

Investments and cash on hand is as follows:

	2005	2004
Investments	6,631,215	4,000,000
Cash on hand	(1,231)	500
Cash in Bank	45,966	2,578,125
	<u>6,675,950</u>	<u>6,578,625</u>

### 4. FUNDS AND RESERVES

The balance in the Capital Development Fund is R0 (R0 in 2005). See financial policies for reasons.

The Public Improvement Fund stands at R0 (R0 in 2005).

More information relating to funds and reserves are shown in notes 1 to the financial statements and in appendix A.



## **NTAMBANANA LOCAL MUNICIPALITY 2005**

### ***5. EXPRESSION OF APPRECIATION***

I wish to thank the support staff of Ntambanana Local Municipality for the support they have given me in preparation of the 2005 financial statements.

## NTAMBANANA LOCAL MUNICIPALITY 2005

### ACCOUNTING POLICIES

#### 1 BASIS OF PRESENTATION

- 1.1 These financial statements have been prepared so as to conform to the standards laid down by the Institute of Municipal Finance Officers in its Code of Accounting Practice (1997) and Report on Published Annual Financial Statements (Second edition - January 1996).
- 1.2 The financial statements are prepared on the historical cost basis, adjusted for fixed assets as more fully detailed in Accounting Policy note 3. The accounting policies are consistent with those applied in the previous year, except if otherwise indicated.
- 1.3 The financial statements are prepared on the accrual basis as stated:
  - (i) Income is accrued when available to finance operations. Certain direct income is accrued when received and /or when the amount can be measured with certainty.
  - (ii) Expenditure is accrued in the year it is incurred.

#### 2 CONSOLIDATION

The financial statements include Rate and General Services, Water and various funds, reserves and provisions. All inter departmental charges are set-off against each other, with the exception of assessment rates, refuse removal, sewerage and water, which are treated as income and expenditure in the respective departments.

#### 3 FIXED ASSETS

- 3.1 *Fixed assets are stated:*
  - (i) at historical cost, or
  - (ii) at valuation (based on the market price at date of acquisition), where assets have been acquired by grant or donation, while they are in existence and fit for use, except in the case of bulk assets which are written off at the end of their estimated life as determined by the Treasurer.
- 3.2 *Depreciation*

The balance shown against the heading "Loans Redeemed and Other Capital Receipts" in the notes to the balance sheet is tantamount to a provision for depreciation, however, certain structural differences do exist. By way of this "Provision" assets are written down over their estimated useful life. Apart from advances from the various council funds, assets may also be acquired through:

  - (i) Appropriations from income, where the full cost of the asset forms an immediate and direct charge against the operating income, and therefore it is unnecessary to make any further provision for depreciation.
  - (ii) Grant or donation, where the amount representing the value of such grant or donation is immediately credited to the "Loans Redeemed and Other capital Receipts" account.
- 3.3 Net proceeds from the sale of all assets are credited to the Capital Development Fund to be available to finance future projects.

## NTAMBANANA LOCAL MUNICIPALITY 2005

- 3.4 Fixed assets are financed from different sources, including external loans, operating income, endowments and financial advances. These loans and advances are repaid within the estimated lives of the assets acquired from such loans or advances. Interest is charged to the service concerned at the ruling interest rate applicable at the time that the advance is made.

### 4 FUNDS, RESERVES AND PROVISIONS

#### 4.1 *Capital Development Fund*

The Local Government Ordinance, Natal, No. 25 of 1974, requires a minimum contribution of 3,0% of the defined income of a local authority for the immediately preceding financial year. However since this is only the second year of the newly created municipality, and the only funds are grants received from the Provincial Government and from uThungulu District Municipality, together with interest earned on these funds, no contribution is made for this period as it will put the council in a deficit position.

#### 4.2 *Public Improvement Fund*

The Public Improvement Fund provides funding for future township development. All development costs as defined in section 103 (3)(d) of the Local Government Ordinance, Natal, No. 25 of 1974, are debited against the fund. All proceeds from the sale of developed land are credited as income for the fund.

#### 4.3 *Working Capital*

Appropriations are made on an annual basis from accumulated surpluses to the reserves account.

#### 4.4 *Leave Stabilization Provision*

The provision is based on the leave accumulated as at the end of the financial year at full cost of employing the employee.

#### 4.5 *Bad Debt Provision*

A provision equal to the anticipated risk as at 30 June annually is provided for. Contributions or reductions are debited and credited to the applicable accumulated funds accounts. There is currently no consumer debtors for this municipality and the uThungulu debtor is secured.

### 5 RETIREMENT BENEFITS

Ntambanana Local Municipality and its employees contribute to the Natal Joint Municipal Pension Fund or the KwaZulu-Natal Joint Municipal Provident Fund which provides retirement benefits to such employees. The retirement benefit plan is subject to the rules and regulations prescribed by the Local Government Superannuation Ordinance, 1973 (Ordinance No. 24 of 1973) and in accordance with the requirements of the Pensions Fund Act, 1956.

Current contributions are charged against operating income on the basis of current service costs. Full actuarial valuations are performed at least every three years.

### 6 SURPLUSES AND DEFICITS

Any surpluses or deficits arising from the operations of the Electricity, Refuse and Sewer Services are transferred to Rate and General Services. The Water- and Housing Services however, is a closed accounts and therefore any surplus or deficit is retained in that service for its own use.

## NTAMBANANA LOCAL MUNICIPALITY 2005

### 7 TREATMENT OF ADMINISTRATION AND OTHER OVERHEAD EXPENSES

The cost of internal support services are transferred to the different services in accordance with the Institute Report on Accounting for Support Services (June 1990).

The re-allocation is annually approved with the budget, and there was no changes from the previous year.

### 8 INVESTMENTS

Investments are shown at the lower of cost or market value if a permanent decline in the value occurred, and the invested in securities as prescribed by section 125 of the Local Authorities Ordinance, 1974 (Ordinance No. 25 of 1974) and section 10G(9) of the Local Government Transition Act, 1993 (Act No. 209 of 1993).

### 9 INCOME RECOGNITION

#### 9.1 *Water Billings.*

The water service is the function of Uthungulu and they are also responsible for all collections.

#### 9.2 *Assessment Rates*

Assessment rates are not currently levied within the municipality as the municipality is 100% rural and where there are commercial farmers they will have to be phased in as per the Property Rates Bill.

# NTAMBANANA LOCAL MUNICIPALITY 2005

## BALANCE SHEET AS AT 30 JUNE 2005

	Note	2005 R	2004 R
<b>CAPITAL EMPLOYED</b>			
FUNDS AND RESERVES		3,340,498	2,039,318
Statutory Funds		-	-
Reserves	1	3,340,498	2,039,318
RETAINED SURPLUS	7	3,619,770	4,375,303
		<u>6,960,268</u>	<u>6,414,621</u>
		<u>6,960,268</u>	<u>6,414,621</u>
<b>EMPLOYMENT OF CAPITAL</b>			
FIXED ASSETS	2	-	-
INVESTMENTS	4	6,631,215	4,000,000
LONG TERM DEBTORS	3	3,356	3,356
		<u>6,634,571</u>	<u>4,003,356</u>
NET CURRENT ASSETS		325,697	2,411,265
CURRENT ASSETS		859,087	2,904,113
Debtors	5	814,352	325,488
Cash	12	44,735	2,578,625
CURRENT LIABILITIES		533,390	492,848
Provisions		82,468	104,145
Creditors	6	450,922	388,703
		<u>6,960,268</u>	<u>6,414,621</u>
		(0)	-

# NTAMBANANA LOCAL MUNICIPALITY 2005

## INCOME STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

2004 Actual income R	2004 Actual expenditure R	2004 Surplus / (Deficit) R		2005 Actual income R	2005 Actual expenditure R	2005 Surplus / (Deficit) R	2005 Budget Surplus / (Deficit) R
RATES AND GENERAL SERVICES							
6,763,121	6,178,765	584,356		9,086,144	9,820,399	-734,255	2,327
6,763,121	6,178,765	584,356	Executive and Council	9,086,144	9,820,399	(734,255)	2,327
-	-	-	Financial Services	-	-	-	-
-	-	-	Corporate Services	-	-	-	-
-	-	-	Technical Services	-	-	-	-
-	-	-	TRADING SERVICES	-	-	-	-
<u>6,763,121</u>	<u>6,178,765</u>	<u>584,356</u>	TOTAL	<u>9,086,144</u>	<u>9,820,399</u>	<u>(734,255)</u>	<u>2,327</u>
Appropriations for the year							
387,574 00/04 Vat Reconciliation adjustments							
(366,745) 00/04 Vat Reconciliation							
<u>605,185</u> Net surplus/(deficit) for the year							
(734,255)							
Accumulated surplus / (deficit) at the beginning of the year							
3,770,118							
4,375,303							
Prior year adjustment							
(21,278)							
ACCUMULATED SURPLUS/ DEFICIT AT THE							
<u>4,375,303</u> END OF THE YEAR							
<u>3,619,770</u>							

(Refer to appendices D and E for more information)

# NTAMBANANA LOCAL MUNICIPALITY 2005

## CASH FLOW STATEMENT FOR THE YEAR ENDED 30 JUNE 2005

	Note	2005 R	2004 R
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		385,950	3,167,254
Cash generated from operations	11	360,367	590,357
Investment Income	9	452,228	358,397
(Increase)/Decrease in working capital	13	(426,646)	2,218,500
		385,950	3,167,254
Less: External interest paid		-	-
Cash available from operations		385,950	3,167,254
Contributions by Public or Government		-	-
<b>CASH UTILIZED IN INVESTING ACTIVITIES</b>			
Proceeds/Loss from the sale of assets		-	-
Purchase of property, plant and equipment		(288,625)	(1,809,534)
Movement in long-term debtors		-	40,258
<b>NET CASH FLOW</b>		<u>97,325</u>	<u>1,397,978</u>
<b>CASH EFFECTS OF FINANCING ACTIVITIES</b>			
New loans repaid		-	-
Increase/Decrease in consumer deposits		-	-
Decrease/(Increase) in cash	12	2,533,890	2,602,022
Decrease/(Increase) in investments	4	(2,631,215)	(4,000,000)
		-	-
<b>NET CASH GENERATED</b>		<u>(97,325)</u>	<u>(1,397,978)</u>
		0	-

# NTAMBANANA LOCAL MUNICIPALITY 2005

## NOTES TO THE FINANCIAL STATEMENTS AT 30 JUNE 2005

	2005 R	2004 R
<b>1 RESERVES</b>		
Administrative Capacity	378	378
Anti-corruption (Project Consolidate)	134,500	-
Capacity Support Grant	607,714	155,421
Ceramic Project Fund	510	510
Communication Grant	36,633	36,633
Councillors Allowances	25,157	25,157
DTLG- Financial Structure	320,000	-
Establishment Grant (Phase 1)	478,708	337,782
Establishment Grant (Phase 2)	(289,535)	120,759
GIS Grant Fund	32,864	32,864
Housing Grant	13,941	-
IDP Grant	73,900	73,900
IDP Grant Phase 1	22,491	22,491
IDP Grant Phase 2	37,961	100,000
Interdepartmental Monitoring	60,000	-
Management Assistance Programme	500,000	-
MSIP	129,216	129,216
Municipal Finance Management Grant	121,283	-
PMS Grant Fund	43,554	76,108
Property Rates Act	63,125	-
Transitional Grant	928,099	928,099
	<u>3,340,498</u>	<u>2,039,318</u>
(Refer to appendix A for more detail)		
<b>2 FIXED ASSETS</b>		
Fixed assets at the beginning of the year	4,465,918	2,876,683
Capital outlay	288,625	1,809,535
Less : Assets written off, transferred or disposed of during the year	-	(220,300)
<b>Total fixed assets</b>	<u>4,754,543</u>	<u>4,465,918</u>
Less : Loans redeemed and other capital receipts	<u>4,754,543</u>	<u>4,465,918</u>
<b>Net fixed assets</b>	<u>-</u>	<u>-</u>
(Refer to appendix C for more detail)		
<b>3 LONG TERM DEBTORS</b>		
Deposits	-	-
Vehicle loans : Staff	3,356	251,000
Vehicle loans : Staff	-	43,614
	<u>3,356</u>	<u>294,614</u>
Voluntary Settlement of Long-term debtors	-	(213,265)
Current year Repayments	-	(34,379)
Less : Short term portion transferred to current assets	-	(43,614)
	<u>-</u>	<u>(291,258)</u>
	<u>3,356</u>	<u>3,356</u>
<b>4 INVESTMENTS</b>		
<b>Unlisted</b>		
Short-term fixed deposit	2,030,330	3,000,000
Short-term fixed deposit	3,500,000	-
Call deposits	1,100,885	1,000,000
	<u>6,631,215</u>	<u>4,000,000</u>
Less : Short term portion transferred to current assets	-	-
	<u>6,631,215</u>	<u>4,000,000</u>
Management valuation of unlisted deposits	-	-
Average return on investment	7.18%	7.18%
No investments were written off during the year or offered as security		



## NTAMBANANA LOCAL MUNICIPALITY 2005

### 5 DEBTORS

Current debtors : Consumer and others	180,559	137,872
Short-term portion of long-term debtors	-	43,614
Accrued Interest	359,972	138,868
SARS:Vat Input	269,140	-
Salary Suspense	4,682	5,134
Uthungulu District Municipality	-	-
	<u>814,352</u>	<u>325,488</u>
Less : Provision for bad debts	-	-
	<u>814,352</u>	<u>325,488</u>

### 6 CREDITORS

Trade creditors	273,288	211,069
Deposits : Other	-	-
Salary Suspense	-	-
Uthungulu District Creditor	177,634	177,634
	<u>450,922</u>	<u>388,703</u>

### 7 COUNCILOR REMUNERATION

Mayors allowance	39,275	33,391
Councilor allowances	507,713	453,241
	<u>546,988</u>	<u>486,632</u>

### 8 AUDITORS REMUNERATION

Audit fees	123,678	60,000
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### 9 FINANCE TRANSACTIONS

Total external interest earned or paid		
Interest earned	452,228	327,062
Interest paid	-	-
Total Internal Interest earned		
Internal loans	-	31,335
Redemption : Internal	-	-
Contribution to redemption fund	-	-
	<u>452,228</u>	<u>358,397</u>

# NTAMBANANA LOCAL MUNICIPALITY 2005

## 10 APPROPRIATIONS

### Appropriation account

Accumulated surplus at the beginning of the year	4,375,303	3,770,118
Operating surplus / (deficit) for the year	(734,255)	584,356
Appropriations for the year	(21,278)	20,829
- Operating transactions	-	-
-00/04 Vat Reconciliation	-	387,574
-Prior Adjustment (VAT)	-	(366,745)
-Prior Adjustment	(21,278)	-
Accumulated surplus / (deficit) at the end of the year	3,619,770	4,375,303

### Operating account

Contributions to capital outlay	-	20,000
Provisions	102,000	60,000
Contributions from accumulated funds to :		
Working capital	-	-
GIS Grant Funding	-	70,000
Ceramic Project Fund	-	150,000
MSIP	-	88,000
PMS Grant Fund	50,000	110,000
IDP Grant	50,000	100,000
Capacity Support Grant	645,000	441,000
DTLG- Financial Structure	320,000	-
Project Consolidate	134,500	-
MAP	500,000	-
Property Rates Act Implementation	63,125	-
Interdepartmental monitoring	60,000	-
MFMA- National Treasury	250,000	-
Housing Department	158,520	-
Contributions from operating account to :		
Capital Development Fund	-	-
	2,333,145	1,039,000
The accumulated surplus at the end of the year is as follows:		
- Rate and General Services	3,619,770	4,375,303
- Water	-	-
	3,619,770	4,375,303

## 11 CASH GENERATED FROM OPERATIONS

Surplus / (Deficit) for the year	(734,255)	584,355
Adjustments in respect of the previous year	(21,278)	20,829
Adjustments for:-	2,333,145	1,132,894
-Depreciation	-	-
-Contributions to reserves	2,231,145	959,000
-Contributions to Fixed Assets	-	20,000
-Internal Interest	-	93,894
-Contributions to provisions	102,000	60,000
Operating surplus/deficit before working capital changes	1,577,612	1,738,079
Contributions by Public or Government	-	-
Investment Income	(452,228)	(358,397)
Income (contributions) credited against funds and reserves	(765,016)	(789,325)
Cash generated by operations	360,367	590,357

# NTAMBANANA LOCAL MUNICIPALITY 2005

## 12 (I) (ASE) / DECREASE IN CASH ON HAND

Cash balance at the beginning of the year	2,578,625	5,180,647
- Cash on hand	500	500
- Cash in bank	2,578,125	5,180,147
Less : Cash balance at the end of the year	44,735	2,578,625
- Cash on hand	(1,231)	500
- Cash in bank	45,966	2,578,125
	<u>2,533,890</u>	<u>2,602,022</u>

## 13 (INCREASE)/DECREASE IN WORKING CAPITAL

Decrease/(Increase) in debtors	(488,864)	2,040,205
Increase/(Decrease) in creditors	62,219	178,295
	<u>(426,646)</u>	<u>2,218,500</u>

## 14 (INCREASE)/DECREASE IN CASH INVESTMENTS

Investments made	(3,631,215)	(4,000,000)
Investments realized	1,000,000	-
	<u>(2,631,215)</u>	<u>(4,000,000)</u>

## 15 RETIREMENT BENEFITS

Currently the staff compliment comprises the contract staff who does not have any benefit, The other staff that were inherited from the government are the members of the Government Employees Pension Fund (GEPP)

The staff members are the members or Natal Joint Municipal Pension Fund.

## 16 CAPITAL COMMITMENTS

Commitments in respect of capital expenditure:

- Approved and awarded
- Approved

-	-
-	-
-	-

The expenditure will be financed as follows:

- Internal funds
- External funds
  - Provincial Government Grant
  - Regional Council Grant

-	-
-	-
-	-
-	-
-	-

# NTAMBANANA LOCAL MUNICIPALITY 2005

## APPENDIX A

### STATUTORY FUNDS, RESERVES, TRUST FUNDS AND PROVISIONS

	Balance at 30/06/2004 R	Contributions during the year R	Interest on investments R	Other income R	R	Operational expenditure during the year R	Capital expenditure during the year R	Balance at 30/06/2005 R
<b>RESERVES</b>								
Administrative Capacity	378	-	-	-	-	-	-	378
Anti-corruption	-	134,500	-	-	-	-	-	134,500
Capacity Support Grant	155,421	645,000	-	-	-	(192,707)	-	607,714
Ceramic Project Fund	510	-	-	-	-	-	-	510
Communication Grant	36,633	-	-	-	-	-	-	36,633
Councillors Allowances	25,157	-	-	-	-	-	-	25,157
DTLGA - Financial Structure	-	320,000	-	-	-	-	-	320,000
Establishment Grant (Phase 1)	337,782	-	-	155,497	-	-	(14,571)	478,708
Establishment Grant (Phase 2)	120,759	-	-	-	-	(169,292)	(241,002)	(289,535)
GIS Grant Fund	32,864	-	-	-	-	-	-	32,864
Housing Grant	-	158,520	-	-	-	(144,579)	-	13,941
IDP Grant	73,900	-	-	-	-	-	-	73,900
IDP Grant Phase 1	22,491	-	-	-	-	-	-	22,491
IDP Grant Phase 2	109,000	50,000	-	-	-	(112,039)	-	37,961
Interdepartmental Monitoring	-	60,000	-	-	-	-	-	60,000
Management Assistance Program	-	500,000	-	-	-	-	-	500,000
MSIP	129,216	-	-	-	-	-	-	129,216
Municipal Finance Management Gr	-	250,000	-	-	-	(95,665)	(33,052)	121,283
PMS Grant Fund	76,108	50,000	-	-	-	(82,555)	-	43,553
Property Rates Act	-	63,125	-	-	-	-	-	63,125
Transitional Grant	928,099	-	-	-	-	-	-	928,099
	<u>2,039,318</u>	<u>2,231,145</u>	<u>-</u>	<u>155,497</u>	<u>-</u>	<u>(796,836)</u>	<u>(288,625)</u>	<u>3,340,498</u>
<b>TRUST FUNDS</b>								
	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-
<b>PROVISIONS</b>								
Leave	-	-	-	-	-	-	-	-
Audit fees	104,145	102,000	-	-	-	(123,677)	-	82,468
	<u>104,145</u>	<u>102,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(123,677)</u>	<u>-</u>	<u>82,468</u>

# NTAMBANANA LOCAL MUNICIPALITY 2005

## APPENDIX B

### ANALYSIS OF FIXED ASSETS

Expended 2004 R		Budget 2005 R	Balance at 30/06/2004 R	Vat Recon 00/04 R	Expenditure 2005 R	Written off, transferred, redeemed or disposed of during the year R	Balance at 30/06/2005 R
1,809,535	RATES AND GENERAL	-	4,465,918	-	288,625	-	4,754,543
1,809,535	Rates and General Services	-	4,465,918	-	288,625	-	4,754,543
-	Administration	-	-	-	-	-	-
1,141,460	Land and Buildings	-	2,756,652	-	10,066	-	2,766,718
373,334	Vehicles	-	832,720	-	192,229	-	1,024,949
129,993	Furniture; Equipment; Machinery	-	436,684	-	63,818	-	500,502
164,748	Office Equipment	-	439,862	-	22,512	-	462,374
1,809,535	TOTAL FIXED ASSETS	-	4,465,918	-	288,625	-	4,754,543
1,809,535	LESS : LOANS REDEEMED AND OTHER CAPITAL RECEIPTS	-	4,465,918	-	288,625	-	4,754,543
0	Loans redeemed and advances paid	-	-	-	-	-	-
20,000	Contributions ex operating income	-	525,309	-	-	-	525,309
0	Public contributions	-	-	-	-	-	-
1,789,535	Grants and Subsidies	-	3,940,609	-	288,625	-	4,229,234
-	NET FIXED ASSETS	-	-	-	-	-	-

# NTAMBANANA LOCAL MUNICIPALITY 2005

## APPENDIX C

### ANALYSIS OF FIXED ASSETS BY DEPARTMENTAL AND SERVICE CLASSIFICATION

Expended 2004 R		Budget 2005 R	Balance at 30/06/2004 R	Vat Recon 00/04 R	Expenditure 2005 R	Written off, transferred, redeemed or disposed of during the year R	Balance at 30/06/2005 R
1,809,534	<b>RATE AND GENERAL</b>	-	4,465,917	-	288,625	-	4,754,543
1,809,534	<b>Rate and General Services</b>	-	4,465,917	-	288,625	-	4,754,543
1,809,534	Executive and Council	-	4,352,649	-	288,625	-	4,641,274
-	Financial Services	-	11,389	-	-	-	11,389
-	Corporate Services	-	17,791	-	-	-	17,791
-	Technical Services	-	84,089	-	-	-	84,089
1,809,534	<b>TOTAL FIXED ASSETS</b>	-	4,465,917	-	288,625	-	4,754,543
1,809,534	<b>LESS : LOANS REDEEMED AND OTHER CAPITAL RECEIPTS</b>	-	4,465,917	-	288,625	-	4,754,542
0	Loans redeemed and advances paid	-	-	-	-	-	-
20,000	Contributions ex operating income	-	525,309	-	-	-	525,309
0	Public contributions	-	-	-	-	-	-
1,789,534	Grants and Subsidies	-	3,940,608	-	288,625	-	4,229,233
-	<b>NET FIXED ASSETS</b>	-	0	-	-	-	0

# NTAMBANANA LOCAL MUNICIPALITY 2005

## APPENDIX D

### ANALYSIS OF OPERATING INCOME AND EXPENDITURE FOR THE YEAR ENDED 30 JUNE 2005

2004 R		2005 Actual R	2005 Budget R
	<b>INCOME</b>		
6,311,475	Government and Provincial Grants		
5,352,475	and subsidies	8,387,949	6,727,000
-	- Equitable Share	6,156,804	6,157,000
621,000	- National Government	250,000	250,000
338,000	- Provincial Government	1,822,625	320,000
93,249	- Housing	158,520	-
-	- District Council	-	-
358,397	Operating income	245,967	45,000
6,763,121	Profit/Loss on Sale of Assets	452,228	1,719,462
	Interest earned	9,086,144	8,491,462
	<b>EXPENDITURE</b>		
2,535,744	Salaries, Wages and Allowances	2,775,359	3,422,348
486,632	Council Remuneration	622,156	766,463
1,906,984	General Expenditure	3,975,500	2,208,766
174,324	Repairs and Maintenance	114,239	222,580
20,000	Contributions to Capital Outlay	-	15,000
96,082	Contributions	102,000	188,305
959,000	Contributions to reserves	2,231,145	-
6,178,766	Gross expenditure	9,820,399	6,823,462
6,178,766	Net expenditure	9,820,399	6,823,462
584,355	Surplus/(Deficit)	(734,255)	1,668,000

**APPENDIX E**  
**DETAILED INCOME STATEMENT FOR THE YEAR**  
**ENDED 30 JUNE 2005**

Ntambarena AFS's 2004\_2005 Initial Draft (Welcome)